



**City of Santa Cruz Parks & Recreation Department
DeLaveaga Golf Course | Draft Operations Plan**

August 2019

Introduction

The City of Santa Cruz owns DeLaveaga Golf Course, an 18-hole regulation length municipal golf course complex providing an affordable, quality golf experience to area residents and visitors. The golf course complex consists of the 18-hole, par 70 course, a 40-tee practice range, and a 12,000 square foot clubhouse which includes a 6,265 square foot restaurant. The golf course is operated by GSL, Inc. (Tim Loustalot, PGA Professional; the “Operator”) under a concession agreement with the City, and maintained by the City of Santa Cruz Parks & Recreation Department. The food and beverage operation at the golf course is leased to DeLa Upper Park, Inc. (Tim Loustalot).

The maintenance operation of the golf course is funded by the City of Santa Cruz (the “City”) general fund via the City’s Parks & Recreation Department (the “Department”). As part of the 2020 fiscal year budget process, the Santa Cruz City Council requested that Parks & Recreation staff produce a golf course operations plan for the purpose of evaluating strategies to achieve full cost recovery. The purpose of this document is to briefly summarize the recent operational history of DeLaveaga Golf Course, provide an assessment of the current operations, the market, and finances, and offer a recommended plan to the City Council for future golf course operations.

Background

In 2010, Keyser Marston Associates (“KMA”) produced a report to the City of Santa Cruz Parks & Recreation Department with data and trends of the DeLaveaga Golf Course in comparison to courses around the Bay Area. The purpose of the report was to evaluate the performance of the golf course and develop strategies to make it self-supporting. In 2017, Pro Forma Advisors (“PFA”) conducted a market and economic evaluation of the golf course. The purpose of the PFA report was to evaluate the golf course as a business in comparison to other regional courses and in the context of the overall golf market. These key documents are attached to the DeLaveaga Golf Course Operations Plan Agenda Report as Appendices 2 and 3, respectively. The 2017 PFA report is referenced more frequently in this document as it provides the most recent and pertinent statistics.

In summary, both the KMA and PFA reports provided similar information regarding golf course trends in the Bay Area:

- The number of rounds of golf peaked in 2000-2001 at municipal courses in the Bay Area and have since declined by 13 to 20 percent. The National Golf Foundation’s most recent Rounds Played Summary, however, indicates that the total rounds played in the San Francisco/Oakland market increased 5.8% in 2018 over the previous year.
- The popularity of golf during grew the 1980s and 1990 and during that time golf courses were built at twice the rate of population growth. The over-supply of golf courses has contributed to steady decline of rounds played around the United States. Since 2010, the number of courses that have closed far exceed the number of courses opened.
- Many public golf courses continue to face challenges in dealing with declining revenues and increasing expenses, particularly the cost of irrigation water. Course operators have most often taken one of two paths: 1) Cut maintenance or golf course operation expenses, or 2) absorb short term operating losses so that course conditions are not materially affected.
 - The latter strategy appears to have been more productive, even in the short term. The PFA reports sites various examples across California where sharp cuts in expenses have disproportionately affected revenues.

Since the 2010 KMA report, the Parks & Recreation Department has taken a range of steps in accordance with the recommendations put forth in the report to reduce annual expenditures.

- Greens Fees – DeLaveaga Golf Course implemented a “utility fee” following the recommendation of the PFA report to increase overall revenue. The \$4 per round utility fee has increased revenue by approximately \$100,000 each year since implementation.
- Staff reduction – The Department reduced the number of staff members who work at DeLaveaga Golf Course following the recommendation of the KMA report. Staff numbers have decreased from 12.0 fulltime equivalents (FTE) to 9.0 FTE. This level of staffing is at the minimum satisfactory level compared with other courses in the market.
- Maintenance and management – The City, Department, and operator explored options to restructure how DeLaveaga Golf Course operates in 2017. After review by Department staff and City Council, the management/operation of the course and maintenance of the course were recommended to remain separate under the current format of operations.
- Consolidation of operations – The City updated its lease agreement with Tim Loustalot to operate the golf course as well as the restaurant.
- Maintenance supplies and materials – Through the PFA report, an assessment was completed on possible reduction of supplies and materials used by the Department for maintenance of the golf course. It was determined that Department staff are currently utilizing a bare minimum to maintain and operate the golf course.

Through the next few sections, and in order to address key questions presented by the City Council, this document will summarize major themes and statistics from the KMA and PFA reports as well as data from the Parks & Recreation Department. The most comprehensive data are included within the full reports included as appendices to the Parks and Recreation Agenda Report.

Section I: Use and Finances

The DeLaveaga Golf Course actual revenues versus actual expenditures are below. Note that these figures are the actuals within the parameters of lease agreements. In other words, these figures represent the net annual figures for revenues and expenditures that impact the Parks & Recreation Department and City’s general fund.

Chart 1. DeLaveaga revenues vs. *actual* expenditures

GOLF COURSE REVENUES							
	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Course Fees	\$1,447,153	\$1,415,661	\$1,414,412	\$1,337,363	\$1,096,377	\$1,355,623	\$1,113,923
Concessions	\$149,689	\$130,775	\$155,178	\$146,761	\$122,171	\$106,491	\$104,683
Misc	\$600	\$1,000	\$1,000	\$800	\$700	\$6,086	\$1,200
TOTAL	\$1,597,442	\$1,547,436	\$1,570,590	\$1,484,924	\$1,219,248	\$1,468,200	\$1,219,806
GOLF COURSE <i>ACTUAL</i> EXPENDITURES							
	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Personnel	\$993,779	1,053,202	\$1,118,969	\$1,035,188	\$919,856	\$853,580	\$935,740
Water/Utl.	\$288,734	\$289,415	\$253,606	\$200,750	\$322,728	\$572,802	\$572,266
Other	\$620,556	\$733,308	\$797,095	\$724,299	\$336,043	\$383,980	\$460,584
TOTAL	\$1,903,069	\$2,075,926	\$2,169,671	\$1,960,239	\$1,578,628	\$1,810,363	\$1,968,590
Difference	\$ (305,627)	\$ (528,490)	\$ (599,081)	\$ (475,315)	\$ (359,380)	\$ (342,163)	\$ (748,784)

Chart 2. DeLaveaga annual utilization by type of play

Round Type	2013	2014	2015	2016	2017	2018	2019
Public (Regular Rate)	9,530	9,645	8,790	7,602	6,325	5,503	6,715
Discount Card	17,103	17,862	16,012	15,260	11,849	11,958	11,689
3 rd Party (GolfNow, etc)	10,967	9,820	10,438	7,605	10,431	8,691	7,797
Annual Members	6,857	7,642	8,155	8,231	7,179	7,937	7,506
Tournament	1,777	2,071	2,046	2,091	1,954	2,152	1,868
Junior	1,303	1,184	1,086	1,017	913	3,086	2,407
Subtotal	47,537	42,332	46,527	41,806	38,651	39,327	37,982
Non-Revenue/Comp	<u>9,001</u>	<u>8,027</u>	<u>7,857</u>	<u>7,265</u>	<u>6,659</u>	<u>6,410</u>	<u>5,689</u>
Total	56,538	50,359	54,384	49,071	45,310	45,737	43,671

Number of Rounds

DeLaveaga Golf Course experienced success during the early to mid-2000s when annual rounds totaled 60,000 or more. In recent years, the total annual rounds have ranged from 43,671 to 56,538. Each year, however, 5,689 to 9,000 rounds are donated at no fee to support community non-profits, schools, and other non-revenue uses that generate significant social benefits.

Throughout the San Francisco and Monterey Bay Areas, comparison municipal golf courses virtually all host more annual rounds than DeLaveaga ranging from 50,000 to nearly 80,000 rounds per year. (PFA report, p. 35). Historically, non-resident users represented approximately two-thirds of overall rounds per year. In recent years, local users represent approximately two-thirds with non-residents representing one-third. In Santa Cruz, with a \$1 billion annual tourism industry (per Visit Santa Cruz County annual report), the opportunity to increase out-of-town users and overall rounds is possible with effective marketing.

In addition to “ball golf,” disc golf has the opportunity to grow at DeLaveaga. Since opening the disc golf course, rounds range from approximately 800-1,000 per year. The hours of use for disc golf are currently limited to Wednesdays and Sundays. By expanding available days for play, especially during the fall, winter, and spring, disc golf rounds and revenues will have the opportunity to increase.

Chart 3. Annual disc golf rounds

Play Type	2016	2017	2018
Disc Golf	935	1,001	813

A key strategy is to engage more users at the golf course by increasing advertising, improving local area signage, partnering with Visit Santa Cruz County, and engaging with the large tourism market and population to play golf. We believe we can tap into the strong regional golf market and attract golfers from the greater Bay Area to play more rounds at DeLaveaga. The Department and Operator are exploring marketable strategies to promote use of the golf course.

Fees

From the KMA report in 2010, DeLaveaga was near the high-end of greens fees among municipal courses in the Bay Area. Fees have not been raised since that time. Therefore, comparatively DeLaveaga is now

among the average in terms of greens fees and the overall cost per round (PFA report pp. 34-35). Comparable golf courses around the Bay Area have regular weekday golf rates starting at \$37 up to \$67 and weekend rates from \$51 to \$98 (not including cart). Regular rates at DeLaveaga are \$49 during weekdays and \$64 on weekends. This includes a utility fee of \$4 per round or \$2 per round for disc golf and junior golf that was established in 2017. The fee was an attempt to increase overall revenue, and in 2018 generated \$90,600.

Because greens fees have not increased in many years, the Department and Operator agree that rates should be increased, and that it is worth considering eliminating the utility fee as it adds unnecessary complexity to the fee structure. The following chart outlines the proposed fee changes which would be effective beginning April 2020. In summary, the utility fee would be rolled into the various course play options and a rate increase schedule would be phased in over a three-year period for the following fees:

- General Public – 6 percent
- Member Discount Programs – No change
- Discount Cardholders – 15.5 percent
- Annual Member Programs – 20 percent

Charts 4-7 provide a detailed look at proposed rate increases for these categories. Increases were focused on the segments of golf course users that drive a large percentage of use. These user groups experience significant value with their current rate package, and have a willingness to pay the estimated increase. Given the aim to increase general public and visitor use of Delaveaga, rate increases on this population were more modest.

Chart 4. Planned rate increases for DeLaveaga Golf Course – General Public (6%)*

Play Options	Current	2020	2021	2022
M-F 18 Holes	\$49	\$50	\$50	\$52
M-F 9 Holes	\$34	\$35	\$35	\$36
M-F Twilight	\$34	\$35	\$35	\$36
M-F Super Twilight	\$24	\$25	\$25	\$25
Weekend 18 Holes	\$64	\$67	\$67	\$70
Weekend 9 Holes	\$41	\$42	\$42	\$43
Weekend Twilight	<u>\$41</u>	<u>\$42</u>	<u>\$42</u>	<u>\$43</u>
Weekend Super Twilight	\$29	\$30	\$30	\$31

Chart 5. Member Discount Program (0%)*

Discount Types	Current	2020	2021	2022
Resident Discount Card	\$100	\$100	\$100	\$100
Non-Resident Discount Card	\$150	\$150	\$150	\$150
Senior Discount Card	\$92.50	\$92.50	\$92.50	\$92.50

Chart 6. Planned rate increases for DeLaveaga Golf Course – Discount Cardholders (15.5%)*

Play Options	Current	2020	2021	2022
M-F DC 18 Holes	\$39	\$43	\$43	\$45
M-F DC 9 Holes	\$26	\$29	\$29	\$30
M-F DC Twilight	\$34	\$37	\$37	\$39
M-F DC Super Twilight	\$24	\$26	\$26	\$28
M-F Senior Card 18 Holes	\$37	\$41	\$41	\$43
M-F Senior Card 9 Holes	\$25	\$28	\$28	\$29
M-F Senior Card Twilight	\$29	\$32	\$32	\$33
M-F Senior Card Super Twilight	\$24	\$26	\$26	\$28
Weekend 18 Holes	\$49	\$54	\$54	\$57
Weekend 9 Holes	\$41	\$45	\$45	\$47
Weekend Twilight	\$37	\$41	\$41	\$43
Weekend Super Twilight	\$29	\$32	\$32	\$33

Chart 7. Annual Member Programs (20%)*

Discount Types	Current	2020	2021	2022
Unlimited Weekend Pass	\$1,270	\$1,397	\$1,397	\$1,537
w/ Partner	\$1,910	\$2,101	\$2,101	\$2,311
Unlimited M-F Pass	\$2,070	\$2,277	\$2,277	\$2,505
w/ Partner	\$3,050	\$3,355	\$3,355	\$3,691
Unlimited 7-Day Pass	\$3,075	\$3,383	\$3,383	\$3,721
w/ Partner	\$4,560	\$5,016	\$5,016	\$5,518
Unlimited Senior Weekend Pass	\$1,210	\$1,331	\$1,331	\$1,464
w/ Partner	\$1,800	\$1,980	\$1,980	\$2,178
Unlimited Senior M-F Pass	\$1,960	\$2,156	\$2,156	\$2,372
w/ Partner	\$2,940	\$3,234	\$3,234	\$3,557
Unlimited Senior 7-Day Pass	\$2,920	\$3,212	\$3,212	\$3,533
w/ Partner	\$4,385	\$4,824	\$4,824	\$5,306

*Net increase over a three-year period.

Variable Rate Pricing

Variable rate pricing software was implemented by the Operator in July 2019. With competition from other courses and GolfNow, variable rate pricing is a critical, strategic approach toward maximizing use of the course and revenue. Going into the fall and winter of 2019/2020, we will have the ability to fully utilize this new tool.

The Grille at DeLa

A key step toward increasing use of the golf course is to reopen the restaurant. The Grille at DeLa is scheduled to open fall 2019 and will provide one of the most iconic dining locations in Santa Cruz. The restaurant and the attraction/amenity that it creates will increase attendance and overall revenue.

Special Events

In addition to golf, disc golf, and the restaurant, DeLaveaga is a popular destination for special events ranging from tournaments to 5Ks run/walks. The Department and Operator have historically had different processes and operations related to booking special events. In 2019, the Department and Operator have begun updating the process to streamline the process for event organizers and create another opportunity for revenue generation. Revenue estimates from this new source are not included in the projections included in this report but will nevertheless serve as a growing source of new revenues into the future.

Annual Costs

The KMA report and PFA report identify that annual costs of DeLaveaga Golf Course were comparable with other area municipal courses. The primary annual expenditures derive from personnel costs and water costs (see Chart 1 above). Since these reports were published, several of the comparable municipal courses cited have been privatized, allowing them to reduce associated staffing costs.

A key strategy in the KMA report was to reduce levels of staff. This was done following the report in 2010. Currently, the 9.0 FTE represents the absolute minimum amount of personnel to be able to effectively operate and maintain the course.

The cost of water rose sharply in 2016 and may increase into the future per the projections estimated in the PFA report. Water reductions through use of wells, recycled water, or brown-outs of the course are explored in *Section III: Environmental Impact*.

The next section of the report explores several ways in which the golf course provides a positive impact to the Santa Cruz community.

Section II: Social Impact

DeLaveaga Golf Course is a City park and a place for community. In contrast to private courses in the region, DeLaveaga provides a wide range of services as a City “park” in an effort to be multi-use in nature and be open and equitable to the residents of the City of Santa Cruz. In summary:

- The golf course area includes Santa Cruz Shakespeare and provides space for parking.
- It includes the City’s 911 Center.
- It is home to one of the top-ranked disc golf courses in the world.
- In 2018, DeLaveaga Golf Course provided 6,410 free rounds to the community for charity events, youth, and more.
- The golf course also helps to keep senior citizens from the city and county active with over 80 senior rounds played weekly.
- Each year, 40-50 golf packages are provided to Santa Cruz non-profits to use for fundraising auctions. Virtually all non-profit agencies that request golf packages for fundraisers are granted gift certificates (for no fee).
- The golf course and parking lot are often used for the practice greens only and/or as a place to park to access the area trails. There are no fees associated with parking or using the practice putting or chipping greens, although they are used heavily by the community.
- Serving 1,500 to 2,000 youth annually, the golf course is home to school programs from Santa Cruz, Soquel and Harbor High Schools along with Mission Hill and Branciforte Middle Schools.
- Walkers and dog walkers use the golf course paths informally most mornings.

- The golf course is host to numerous community events each year ranging from 5K runs to weddings.

Youth Engagement and Access

For the future, the Parks & Recreation Department and the Operator seek to ensure that all residents of Santa Cruz have opportunities to utilize the golf course and/or adjacent properties for a variety of potential uses.

Historically, the Operator worked directly with DeLaveaga Elementary School to ensure youth have opportunities to play golf for little to no fee. Moving forward, program such as First Tee may open more opportunities to youth around the City and County. The First Tee's National School Program hosts an even 50% female/50% male users on an annual basis. Student ethnicity demographics include 49% White/Caucasian, 23% Hispanic/Latino, 21% Black/African American, 4% Asian, and 3% Other. In Santa Cruz, there are ample opportunities to engage youth from all demographics to have an opportunity to enjoy DeLaveaga.

Senior Engagement and Access

The Parks & Recreation Department provides a wide range of recreation facilities for the community from soccer and ball fields to beach programs to skate and bike parks. However, the golf course is uniquely positioned to help keep our community's seniors active in ways other facilities cannot. With over 80 rounds played by seniors each week, the golf course not only provides access to outdoor exercise, but helps to build community as well.

Non-Profits, Clubs, and Social Organizations

The Department and Operator are committed to providing Santa Cruz County-area non-profit agencies use of the golf course to raise funds for their various causes. Additionally, once The Grille at DeLa opens, local organizations such as the Rotary Club and others will have a place to meet and gather. DeLaveaga Golf Course also provides an environment for various types of events such as weddings and much more. These type of offerings may create avenues to generate revenue to support the course, but are also fundamental services for the community.

Expansion of Uses and Functions

The golf course serves in many ways as a public park with trails and multiple options for use. The Department and Operator are committed to exploring new ways to allow for access to the property including designated dog-walking hours or other "open" uses.

Future development at the golf course could also include amenities that attract new users such as outdoor mini-golf/putt-putt or batting cages. The Parks Master Plan provides detailed guidance on providing multiple types of assets and amenities in the park system. The game of golf may not be of interest to all, but with a diverse range of amenities at DeLaveaga, the golf course and surrounding areas may be able to serve more residents over time.

Section III: Environmental Impact

Water Use

Through efficient irrigation management, golf course staff keep water use well below what would be expected for a course of its size. Since the 2014-2015 drought, staff have taken the additional step of browning out portions of the fairways to further reduce water use.

As an immediate next step to reducing water use staff are planning installation of an irrigation well in fiscal year 2020. This project is discussed further in the *Financial Sustainability* section below. In the coming years water use efficiency will be improved by replacing outdated irrigation sprinkler heads with new, high-efficiency heads.

Looking further ahead, we could reduce use of potable water even further through an environmentally-focused course redesign. Such a redesign would seek to use green infrastructure techniques to capture winter rains for irrigation and aquifer recharge and to reduce damaging erosion, reduce the area of irrigated turf in favor of drought-tolerant native plantings, and reconfigure the irrigation system to match the new layout and make use of the most efficient technologies. Such an effort would require substantial financial investment, but could position DeLaveaga as a leader in sustainable golf course design and management. Another possible approach would be to switch some or all of DeLaveaga over to a recycled water system.

Chemical Use

Golf Course staff follow the City's IPM Guidance Manual (currently under revision) and make minimal applications for turf weeds and diseases.

Habitat

The DeLaveaga Wilderness adjacent to the golf course provides excellent habitat for a range of plant and animal species. Golf course staff have explored joining the Audubon Cooperative Sanctuary for Golf Courses program. We already implement many of the management practices required for certification. Achieving and maintaining certification would require an additional commitment of staff time for written documentation and monitoring.

Section IV: Financial Impact

The sustainability strategy for DeLaveaga Golf Course is a three-part strategy:

- Maintain or enhance the course's quality of play, service, and overall experience
- Raise fees to reflect the quality of the product and experience and do so via dynamic, market-responsive rate structures
- Attract more users and use types to the golf course property

Revenue

Based on market data related to rounds of golf and the opportunities in Santa Cruz, the number of number of revenue-producing golf rounds has good potential to increase through several overlapping initiatives. The first is the reopening of the Grille at DeLa, which it is the opinion of the concessionaire will help recapture tournaments and rounds lost in recent years while the Golf Course was not a full-service operation. The second is a major marketing push surrounding the 50th anniversary of DeLaveaga Golf Course next spring. The third is a targeted marketing campaign for Bay Area golfers.

Chart 6. Projected annual rounds

GOLF COURSE ANNUAL ROUNDS – DRAFT PROJECTION				
	FY2019	FY2020	FY2021	FY2022
Golf Rounds	43,671	45,500	47,000	48,500

Golf Course Use

Our projections indicate that successful implementation of this strategy could put DeLaveaga on a trajectory towards breaking even. A variety of factors create unknown scenarios for the golf course including weather or closures of other area golf courses. For example, in the City’s fiscal year 2019, DeLaveaga Golf Course was impacted by a particularly rainy Spring season, which led to nearly 10% lower rounds overall. Although the weather affected rounds, the number of membership cards purchased at the golf course increased by 13% as a result of the closure of Valley Gardens Golf Course in Scott’s Valley. While rounds and revenues were down in 2019, expenditures were also down as a result of water savings.

As mentioned in *Section II: Social Impact*, the golf course serves a wide range of people who use the parking to access nearby trails and the practice chipping and putting greens. These uses are very popular but there are currently no associated fees. The Department and Operator have discussed options to implement a “park fee” as an option to increase revenues and support the maintenance needs associated with these type of “free” public uses. This type of fee was not calculated as part of the revenue projections.

Expenditures

The two largest expense categories at the golf course are personnel and water. Department staff agrees with the findings of the Pro Forma Advisors report that the already reduced staffing levels cannot be reduced further without negatively impacting the quality of play. One factor influencing personnel costs is the longevity of current employees, many of whom are at the top salary step. Retirements in the coming years could bring down personnel costs somewhat as the Department hires newer employees at lower salary steps.

Chart 8. Annual cost of operations

GOLF COURSE ANNUAL EXPENDITURES							
	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Personnel	\$993,779	1,053,202	\$1,118,969	\$1,035,188	\$919,856	\$853,580	\$935,740
Water/Util.	\$288,734	\$289,415	\$253,606	\$200,750	\$322,728	\$572,802	\$572,266
Other	\$620,556	\$733,308	\$797,095	\$724,299	\$336,043	\$383,980	\$460,584
TOTAL	\$1,903,069	\$2,075,926	\$2,169,671	\$1,960,239	\$1,578,628	\$1,810,363	\$1,968,590

Water expenses have grown significantly as water rates have increased, even with the application of the water conservation measures described in the Environment section.

In the next few months, the Parks & Recreation Department plans to present City Council with a request to approve funding for drilling the first of what could be several irrigation wells at the Golf Course. The anticipated production rate is modest, but, if the first well is successful, savings to the annual water bill may be reduced by \$25,000 per year. Adding additional wells could bring corresponding additional savings in future years.

Chart 9. Projected annual operational revenues and expenditures

GOLF COURSE ANNUAL REVENUE & EXPENDITURES – DRAFT PROJECTIONS				
	FY2019	FY2020	FY2021	FY2022
Revenue	\$1,241,024	\$1,464,600	\$1,622,000	\$1,771,100
Expenses	\$1,968,590	\$2,268,876	\$2,245,017	\$2,211,222

With the adjustments to current rate packages, improvements to golf course utilization, and efforts to maintain flat annual costs, the chart below illustrates the relationship between projected expenses and revenues over the next three years.

Chart 10. Three-year financial projections



Section V: Conclusion

Ultimately, DeLaveaga is a community golf course and park that has an opportunity to serve as a model of financial, social, and environmental sustainability. The Department sees the golf course as a heavily used asset and amenity within a diverse Santa Cruz parks system.

Near-Term Strategy. Parks and Recreation staff in partnership with the Operator recommend a near-term strategy focused on:

- Maintaining and/or enhancing the course's quality of play, service, and overall experience;
- Raising fees to reflect the quality of the product and experience and do so via dynamic, market-responsive rate structures; and
- Attracting more users and use types to the golf course property.

With respect to revenues, the Department recommends adjusting current rate packages and improving golf course utilization over a three-year period to raise fee revenues.

With respect to expenditures, the annual operating costs are already at a minimum in comparison to other municipal golf courses in the region as a result, primarily, of very limited personnel resources. Even so, the Department has several strategies to reduce costs in key areas.

Long-Term Planning. The Department's long-term objective is to reach the aforementioned holistic, three-tier level of sustainability. To do this, the Department and Operator must work closely together from a strategic planning standpoint to ensure that revenue are maximized and costs are minimized. The social involvement will largely need to be driven by the Operator – Tim Loustalot – but will be supported by the Department.

The environmental sustainability is almost wholly on the Department. To reach a sustainable level of environmental impact, the Department will need support to make investments into the golf course (e.g. modernized irrigation, recycled water, etc.). From conversations with Visit Santa Cruz County, if DeLaveaga could be in position to claim itself as the most environmentally-efficient golf course in the region, it would be marketable on a different scale than virtually any other area golf course and would likely lead to much more use especially from non-resident users.

The Department recommends that the City Council support this draft operations plan to initiate a near-term strategy that will improve cost recovery and put in place a longer-term vision and plan that will position DeLaveaga golf course and park to achieve a sustainable triple bottomline in terms of social, environmental and financial benefits.